has so far submitted four reports covering 19 PSUs out of the 50 referred to it. Of these the last report covering four PSUs has been submitted in August, 1997. Besides recommending disinvestment/strategic sales at varying levels, the Commission has also made general recommendations relating to autonomy, corporate goverance, etc. On the basis of the recommendations made by the Commission, the Government have decided to disinvest partially its equity shareholding in three companies during 1997-98, i.e. Gas Authority of India Ltd., Mahanagar Telephone Nigam Ltd. and Container Corporation of India and defer, at present, disinvestment in four PSUs, namely, ONGC Oil India Ltd., Manganese Ore India Ltd. and RITES. Implementation of the various recommendations of the Disinvestment Commission is a continuous process.

Statutory body of experts for revising the rates of royalty

2095. SHRI BRAHMAKUMAR BHATT: Will the Minister of MINES be pleased to state:

(a) whether Gujarat Government has represented to streamline the existing system of departmentally fixing of rates of royalty;

(b) whether it is proposed to set up a statutory body of experts to revise the rates of royalty;

(c) if so, the details thereof;

(d) whether any decision has been taken to revise the rate of royalty for lignite every three years;

(e) if so, when the last rate of royalty was revised and implemented; and

(f) if not, the reasons therefor?

THE MINISTER OF STEEL AND THE MINISTER OF MINES (SHRI BIRENDRA PRASAD BAISHYA): (a) Yes, Sir.

(b) and (c) There is no such proposal to set up a statutory body for revision of royalty rates. Conventionally a Study Group is set up for revision of rates of royalty from time to time. The Study Group normally has representatives from different States, Industry, Indian Bureau of Mines, etc.

(d) to (f) Revision of rates of royalty for lignite is also guided by the provisions of Section 9(3) of the MM (R&D) Act, 1957. Royalty on lignite was last revised with effect from 21-7-1990. Ministry of Coal, the nodal Ministry in this regard, has already initiated action for review of royalty on lignite.

Setting up a canstock making plant in Orissa

2096. SHRIMATI JAYANTI PATNAIK: Will the Minister of MINES be pleased to state:

(a) whether the National Aluminium Company (NALCO) proposes to set up a canstock making plant in Orissa;

(b) if so, the capacity of the planer and the estimated amount needed to invest for the installation for the plant.

(c) the site selected in Orissa for the location of the plant; and

(d) the details of the steps taken by NALCO in that direction?

THE MINISTER OF STEEL AND THE MINISTER OF MINES (SHRI BIRENDRA PRASAD BAISHYA): (a) to (d) National Aluminium Company Limited (NALCO) has plans to set up a 45,000 TPA canstock plant at Angul at an estimated cost of Rs. 280 crores. The final decision in this regard will depend upon the results of techno-economic feasibility study.

Revising of rates of royalty on minerals

2097. SHRIMATI JAYANTI PATNAIK: Will the Minister of MINES be pleased to state:

(a) whether the State Government of Orissa has been demanding since long

for the revision of royalty rates of minerals produce in that state;

(b) if so, the reasons why the royalty rates have not been revised;

(c) whether Government proposes to consider the demand made by the State Governmnet in the State Government in that regard; and

(d) if so, the steps taken by Governmnet in that direction?

THE MINISTER OF STEEL AND THE MINISTER OF MINES (SHRI BIRENDRA PRASAD BAISHYA): (a) to (d) The revision of rates of royalty on major minerals is carried out as per the provisions of Section 9(3) of the Mines and Minerals (Development & Regulation) Act, 1957. The rates of the royalty on major minerals (other than coal and lignite) have already been revised vide Govt. Gazettee Notification GSR No. 214(E) dated 11.4.97. The revision of royalty rates was effected on the basis of the recommendations of the Study Group constituted for the purpose. The Study Group had detailed consultations with the State Governments, includ ing Govt. of Orissa, Mineral Industry and other agencies in the matter.

Opening mining sector for foreign direct investment

2098. SHRI GOVINDRAO ADIK: Will the Minister of MINES be pleased to state:

(a) whether Government have taken fresh policy initiatives to open up mining sector for foreign direct investment.

(b) if so, the details thereof alongwith the estimates of fresh foreign direct investment expected during 1997-98 and likely impact thereof;

(c) the details of FDI proposals received and cleared by Government so far and proposals under consideration; and

(d) the details of follow up action proposed to be taken to make the policy decisions operative during 1997-98 and also the follow up action taken by the State Governments?

THE MINISTER OF STEEL AND THE MINISTER OF MINES (SHRI BIRENDRA PRASAD BAISHYA): (a) The National Mineral Policy announced in 1993 recognised the need for encouraging private investment includng foreign investment and induction of state-of the art technology in the mineral sector. In the amendments made in the Mines and Minerals (Regulation & Development) Act, 1957, in 1994, the restrictions on foreign equity holding in the mining sector were removed and a company registered in India irrespective of foreign equity holding can now apply for a Prospecting Licence or a Mining Leause. Guidelines for grant of large areas for prospecting were issued in October, 1996. In January, 1997, automatic route for foreign equity participation upto 50% for mining of certain minerals was allowed. 74% foreign equity through automatic route was also allowed in services incidental to mining like drilling, shafting, reclamation of mines, surveys/mapping excluding services related to gold, silver and previous/semi-precious stones.

(b) and (c) The proposals for foreign investment, inter alia, in the mining sector are received by the Secretariat of Inudstrial Approvals, Department of Industrial Policy & Promotion, Ministry of Industry for consideration by FIPB. On the recommendations of the Ministry of Mines. FIPB has approved investment pattern of 35 proposals in the Mining. Metallurgical sector involving a total investment of over Rs. 2400 crores during the period November 1995 to July, 1997.

(d) Mineral concessions are granted by the respective State Governments. Only in case of 11 minerals (non-fuel and non-atomic) prior approval of the Central Government is necessary. The State Governments have been addressed to expedite action on proposals with a view to speed up the investment in the